

**2003****MAINE
REVENUE SERVICES****030628000****FORM 941P-ME****PASS-THROUGH ENTITY RETURN OF MAINE INCOME TAX WITHHELD**

Withholding Account Number: _____	
Name and Address: _____ _____ _____	1. Maine income tax withheld for the year 1 _____ 2. Less payments made 2 _____ 3. Amount due with this return 3 _____
Under penalties of perjury, I certify that the information contained on this return, report and attachment(s) is true and correct.	
Date _____	Signature _____ Title _____ Telephone _____

Who must file? All pass-through entities with nonresident owners or beneficiaries ("members") must withhold Maine income tax from the Maine-source distributive income of each nonresident member who is not otherwise exempt. **Note: This withholding requirement is separate from and in addition to employee income tax withholding.**

When to file. This form, along with a complete withholding detail for all nonresident members included in the return is due no later than January 31, 2004. Payment of withholding amounts must be remitted at that time in order to avoid any interest and penalties (*see Interest and penalties* later in these instructions).

Where to file. Mail this return, with payment, to Maine Revenue Services, P.O. Box 9118, Augusta, Maine 04332-9118.

How much should I withhold? You must withhold 8.5% of any Maine-source entity income distributable to a nonresident member (8.93% for C corporation members) for tax year ending in 2003. This percentage represents Maine's top income tax rate. If you do not know the exact amount of income allocated to a member, you must estimate. To avoid penalties and interest, the withholding tax must be based on either of the following:

- (a) the prior year's Maine-source member income, or
- (b) 90 percent of the current year's Maine-source member income.

Are there any exceptions? If Maine-source entity income allocated to a single member for an entire calendar year is less than \$1,000, this withholding requirement is waived. However, this does not mean the nonresident member will not owe income tax to Maine. It is possible, especially if other Maine-

source income is involved, for the nonresident member to owe income taxes to Maine even if the withholding requirement does not apply.

For 2003 only, if a member has already made estimated payments based on this income, no withholding is necessary. The member who has made estimated payments must provide the entity with a written document claiming that estimated payments have been made based on the entity income. The entity must keep the document on record for at least three years.

If a member will be included in a composite filing, the withholding requirement is waived for 2003. Visit the MRS Web site at www.maine.gov/revenue for more information about composite filing.

If a pass-through entity believes it should be exempt from the withholding requirement, or the entity would like to propose an alternate application of the withholding requirement, the entity may apply for an exemption. In order to apply, a letter of explanation must be submitted to MRS as soon as possible. If the exemption request involves a complicated pass-through entity structure (i.e., tiered entities), more time may be required for MRS to issue a decision. If the entity requesting an exemption does not receive a decision prior to the withholding deadline, the entity will need to submit the required withhold-

Questions?
Visit our Web site at:
www.maine.gov/revenue, or
call 207-626-8475 week-
days, 8 a.m. through 5 p.m.

Make check payable to:
Treasurer, State of Maine

Mail to:
Maine Revenue Services
P.O. Box 9118
Augusta, ME 04332-9118

Rev 9/03

Office use only _____

ing. The entity must reapply for the exemptions annually.

Other requirements. After the calendar year and before February 16, the pass-through entity must supply each member with a copy of Form 1099ME (available at www.maine.gov/revenue or by calling 207-624-7894), showing the Maine-source entity income allocated to that person and the total amount withheld for the year. The member must present this with his/her individual income tax return in order to prove the amount withheld for the year.

Electronic Funds Transfer (“EFT”). Maine Revenue Services accepts both ACH credit method and ACH debit method payments for nonresident member withholding, as well as for other tax payments. ACH debit payments are made through a telephone electronic funds withdrawal payment system. Both ACH payment methods require applications to participate. 36 M.R.S.A. § 193 and MRS Rule 102 mandate entities with annual withholding liabilities of \$200,000 or more to pay electronically. Maine Revenue Services also accepts voluntary participants into its electronic funds transfer programs. There are no payment minimums.

For up-to-date information, to obtain an application for either the ACH Credit Method or ACH Telephone Electronic Funds Withdrawal Method, to obtain a copy of Rule 102, or to learn more about EFT, visit www.maine.gov/revenue, call 207-287-8276, e-mail efunds.transfer@maine.gov or write: EFT Unit, Maine Revenue Services, P.O. Box 1068, Augusta ME 04332-

1068.

Penalty for insufficient funds. The penalty for insufficient funds applies to electronic funds transfers. The penalty is \$20 or 1% of the payment amount, whichever is greater.

Penalty for failure to pay by EFT. Any person required to pay by electronic funds transfer who fails to do so is liable for a penalty equal to the lesser of 5% of the tax due or \$5,000.

SPECIFIC INSTRUCTIONS

Income Tax Withholding Listing. Enter all nonresident members with Maine-source income who are not otherwise exempt from withholding.

If there are members of the entity that are not individuals, these members must be listed separately on another withholding listing page. Be sure to check the appropriate box for social security number or federal ID number at the top of each withholding listing page. If neither box is checked, it will be assumed that the members listed are individuals with social security numbers.

For more information, go to www.maine.gov/revenue or call 207-626-8475.

Name: _____

Withholding
Account No.: _____ - _____

Period
Covered: 01-01-03 - 12-31-03

This page contains (check one):

☐ Individuals with
social security numbers

☐ Entities with
Federal ID numbers

030628100

FORM 941P-ME

Pass-through Entity Withholding Listing

4. Partner/Shareholder Name (Last, First, MI)

5. Social Security Number (EIN if other
than an individual)

6. Maine Income Tax Withheld on
income for the year

		\$
a. _____	____ - ____ - _____	____ - ____ - ____
b. _____	____ - ____ - _____	____ - ____ - ____
c. _____	____ - ____ - _____	____ - ____ - ____
d. _____	____ - ____ - _____	____ - ____ - ____
e. _____	____ - ____ - _____	____ - ____ - ____
f. _____	____ - ____ - _____	____ - ____ - ____
g. _____	____ - ____ - _____	____ - ____ - ____
h. _____	____ - ____ - _____	____ - ____ - ____
i. _____	____ - ____ - _____	____ - ____ - ____
j. _____	____ - ____ - _____	____ - ____ - ____
k. _____	____ - ____ - _____	____ - ____ - ____
l. _____	____ - ____ - _____	____ - ____ - ____
m. _____	____ - ____ - _____	____ - ____ - ____
n. _____	____ - ____ - _____	____ - ____ - ____
o. _____	____ - ____ - _____	____ - ____ - ____
p. _____	____ - ____ - _____	____ - ____ - ____
q. _____	____ - ____ - _____	____ - ____ - ____
r. _____	____ - ____ - _____	____ - ____ - ____
s. _____	____ - ____ - _____	____ - ____ - ____
t. _____	____ - ____ - _____	____ - ____ - ____
u. _____	____ - ____ - _____	____ - ____ - ____
v. _____	____ - ____ - _____	____ - ____ - ____
w. _____	____ - ____ - _____	____ - ____ - ____

7. Total on this page 7. ____ - ____ - ____

8. Total for **ALL** pages (Enter here and on page 1, line 1) 8. ____ - ____ - ____